

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION

CASE NO.: 22-cv-22538-ALTMAN/REID

DOMINIK KARNAS, *et al.*, on behalf
of himself and others similarly situated,

Plaintiffs,

v.

MARK CUBAN, *et al.*,

Defendants.

**PLAINTIFFS' NOTICE OF FILING SUPPLEMENTAL AUTHORITY IN SUPPORT
OF [ECF NO. 195] PLAINTIFFS' RESPONSE IN OPPOSITION TO DEFENDANTS'
OMNIBUS MOTION [ECF NO. 189] TO DISMISS THE SECOND AMENDED
COMPLAINT AND INCORPORATED MEMORANDUM OF LAW**

Plaintiffs submit, as supplemental authority in support of their Response in Opposition [ECF No. 195] to Defendants' Omnibus Motion to Dismiss the Second Amended Complaint [ECF No. 189], and in follow up on Plaintiffs' Notices of Filing Supplemental Authority filed in this action on March 14, 2024, [ECF No. 230], and March 21, 2024 [ECF No. 242], a recent order denying defendants' motion for judgment on the pleadings by the Honorable Katherine Polk Failla of the Southern District of New York in *SEC v. Coinbase, Inc., et. al.*, 23 Civ. 4738 (KPF), ECF No. 105 (S.D.N.Y. Mar. 27, 2024) (the "Coinbase Order"), where the Securities and Exchange Commission brought claims against Coinbase, Inc., and Coinbase Global, Inc. (together the "Coinbase Defendants"), for serving as an "unregistered intermediary of securities." Coinbase Order, at 2. The Coinbase Order is attached hereto as **Exhibit A**.

In the Coinbase Order, Judge Failla denied the Coinbase Defendants' motion for judgment on the pleadings with respect to all but one claim, finding "the SEC has sufficiently pleaded that Coinbase operates as an exchange, as a broker, and as a clearing agency under the federal securities laws, and, through its Staking Program, engages in the unregistered offer and sale of securities." *Id.* at 84.¹ Judge Failla also found that the SEC had pleaded "control person liability" for Coinbase

¹ Judge Failla only granted the motion as to the SEC's claim that Coinbase acted as an unregistered broker through its "Coinbase Wallet" service. *Id.* at 78, 84.

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Global. *Id.*

Dated: March 27, 2024

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the forgoing was filed on March 27, 2024, via the Court's CM/ECF system, which will send notification of such filing to all attorneys of record.

By: /s/ Adam M. Moskowitz

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